IN THE NATIONAL COMPANY LAW TRIBUNAL
COURT V, NEW DELHI
DIVISION BENCH

COMPANY PETITION NO. (CAA) –13 (ND)/2026
CONNECTED WITH
COMPANY APPLICATION NO. 95 (ND)/2025

Under Section 230-232 and other applicable provisions of the Companies Act, 2013 r/w the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016

IN THE MATTER OF:

IAC INTERNATIONAL AUTOMOTIVE INDIA PRIVATE LIMITED (FORMERLY KNOWN AS LUMAX INTEGRATED VENTURES PRIVATE LIMITED)

...PETITIONER NO.1/TRANSFEROR COMPANY

WITH AND INTO

LUMAX AUTO TECHNOLOGIES LIMITED

...PETITIONER NO.2/TRANSFEREE COMPANY

.....PETITIONER COMPANIES

AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

Order Delivered On: 08.05.2026

CORAM:

SHRI MAHENDRA KHANDELWAL — **HON'BLE MEMBER (JUDICIAL)**

MS. ANU JAGMOHAN SINGH — **HON'BLE MEMBER (TECHNICAL)**

PRESENT:

For the Applicant : Mr. P. Nagesh, Sr. Adv., PCS Abhishek Mohta, Mr. Gurcharan Singh, Mr. Shourya Aditya, Mr. Abdul Zakaria, Advs.
CA Pankaj Mahendru alongwith Director Sanhay Mehta, CA Siddharth

For Respondent : Mr. Mohit Kumar Bafna, Mr. Abhishek Baid, Mr. Praneet Das, Mr. Ravinder Kumar, Advs. For SEBI

For the OL : Mr. Kartikeya Asthana, Ms. Siddhidatri Jha, Advs.
For the IT Dept : Mr. Gaurav Gupta, SSC, Mr. Shivendra Singh, JSC, Mr. Yojit Pareek, JSC, Mr. Prassant Kumar Sharma, Ms. Prakriti Rastogi, Advs.

ORDER

1. The present Joint Petition is filed by the Petitioner Companies herein **IAC International Automotive India Private Limited** (Transferor Company/Petitioner No. 1), with and into **Lumax Auto Technologies Limited** (Transferee Company/Petitioner No. 2) under Section 230-232 of the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, and the National Company Law Tribunal Rules, 2016, for the purpose of the Sanction of the proposed Composite Scheme of Arrangement (Scheme) between the IAC International Automotive India Private Limited (Transferor Company/Petitioner No. 1) and Lumax Auto Technologies Limited (Transferee Company /Petitioner No. 2). The copy of the Composite Scheme of Arrangement (hereinafter referred to as the "Scheme") has been placed on record.
2. The Transferor Company/Petitioner No. 1 i.e. IAC International Automotive India Private Limited (formerly known as Lumax Integrated Ventures Private Limited), is a private limited company incorporated on 13.05.1991 under the provisions of the Companies Act, 1956, having its registered office situated at 2nd Floor, Harbans Bhawan-II, Commercial Complex Nangal Raya, New Delhi-110046. Thus, the registered office of the Transferor Company is under the jurisdiction of this Tribunal. The Authorized Share Capital, Issued, subscribed, and paid-up share capital of the Company is mentioned at Page no. 22 and 23 of the Petition.
3. The Transferee Company/Petitioner No. 2 i.e. Lumax Auto Technologies Limited, is a public limited company incorporated on 30.10.1981 under the provisions of the Companies Act, 1956, having its registered office situated at 2nd Floor, Harbans Bhawan-II, Commercial Complex, Nangal Raya, New Delhi-110046. The registered office of the Transferee Company is under the

jurisdiction of this Tribunal. The Authorized Share Capital, Issued, subscribed, and paid-up share capital of the Company is mentioned at Page no. 25 and 26 of the Petition.

4. The Petitioner Companies submit that the proposed Scheme of Arrangement of the Transferor Company and Transferee Company would have the following rational: -

   i. To achieve greater integration and greater financial strength and flexibility, to maximize overall shareholder value.

   ii. To achieve cost savings from more focused operational efforts, rationalization, standardization and simplification of business processes, productivity improvements and rationalization of administrative expenses.

   iii. The consolidation of activities of the Transferor Company and the Transferee Company by way of amalgamation will lead to operational synergies, greater productivity, and economical operations for the future growth of the Transferee Company.

   iv. The amalgamation will provide for pooling of the managerial, technical and financial resources of the Transferor Company and the Transferee Company which will help in increasing the competitiveness of the Transferee Company.

   v. The amalgamation will result in economies of scale, reduction in overheads including administrative, managerial and other expenditure, operational rationalization, organizational efficiency and optimal utilization of funds and resources.

   vi. The amalgamation will result in a significant reduction in the multiplicity of legal and regulatory compliances required at present to be carried out by the Transferor Company and the Transferee Company.

   Thus, the amalgamation is in the interest of the shareholders, creditors and all other stakeholders of the Companies and is not prejudicial to the interests of any of the concerned shareholders, creditors or the public at large. The creditors are not adversely affected by the proposed

amalgamation as there is no compromise or reduction in the amounts owed to any creditor by the Transferee Company or the Transferor Company as a result of the Scheme. Any amounts owed to any creditors by the Transferor Company as appearing in their financial statements at Appointed Date shall on and after the Appointed Date be owed by the Transferee Company to such creditors, respectively. Accordingly, the Board of Directors of the Transferor Company and the Transferee Company have formulated this scheme to unde1take various steps as envisaged in this Scheme pursuant to the provisions of Section 230-232 (including any statutory modification or re-enactment or amendment thereof) and applicable provisions of the Income Tax Act, 1961.

5. The appointed date as fixed for the proposed Scheme of Arrangement is 1st October 2025.
6. The First Motion joint application was filed before this Tribunal vide CA (CAA) 95/ND/2025. Vide order dated 18.02.2026, the First Motion Application wherein this Tribunal has dispensed with the requirement of convening meetings of Equity Shareholders, Preference Shareholders, Secured Creditors & Unsecured Creditors of the Petitioner No. 1. With Regard to the Petitioner No. 2, this Tribunal has dispensed with the requirements of convening meetings of Equity Shareholders, Secured Creditors and Unsecured creditors.
7. This Tribunal directed the Petitioner companies to issue individual notices to the (i) Regional Director, Northern Region of Ministry of Corporate Affairs, (ii) Income Tax Department, (iii) Registrar of Companies NCT of Delhi and Haryana, (iv) Official Liquidator, (v) Security and Exchange Board of India.
8. The Petitioner Companies were also directed vide order dated 25.02.2026 to carry out publication in the newspapers. The petitioners have filed an Affidavit affirming compliance and disclosing that the applicants have effected publication in “Financial Express” (English), Delhi edition as well as “Jansatta” (Hindi), Delhi edition both dated on 03.03.2026. In addition to the public notice, notices were served on the Regional Director (Northern Region), Official

Liquidator, the Income Tax Department, Registrar of Companies, NCT of Delhi and Haryana, Reserve Bank of India, SEBI and to the other relevant sectoral regulators.

9. Pursuant to the notice issued to the Regional Director, Official Liquidator, Securities and Exchange Board of India, Income Tax Department, they have filed their response/reply in the matter.

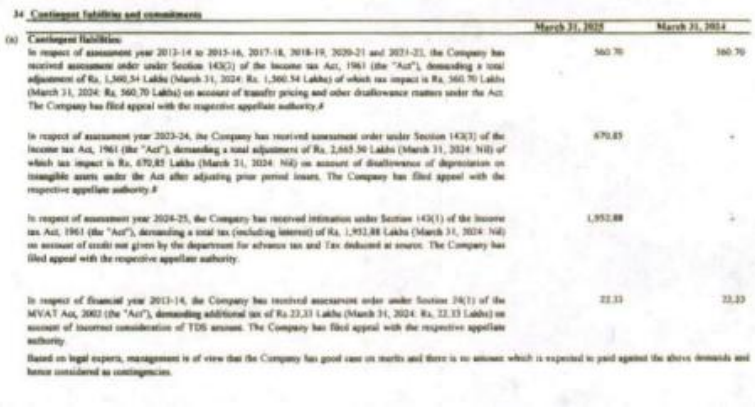
10. The Regional Director (RD) in its report dated 01.04.2026 has made certain observations with regard to the proposed Scheme of Arrangement among the Petitioner Companies. The Petitioner Companies had filed a reply dated 02.04.2026 in response to the observations made by the Regional Director, under wherein the Petitioner Companies gave clarification and undertaking to address the observations made by the Regional Director. The details of the same are summarised below:

<table>
<tr><th>Observations of the Regional Director vide Order dated 01.04.2026</th><th>Reply of the Petitioner Companies vide Affidavit dated 02.04.2026</th></tr>
<tr><td>1. As per the Auditor's report for F.Y. 2024-25, the Transferor Company has dues of Income Tax and Sales Tax that have been deposited on account of any dispute. Company may clarify the same.</td><td>As per point vii (b) of the Annexure-1 to the Independent Auditors Report of the Transferor Company for FY 2024-25,

(vii)(b) The dues of income-tax and sales tax that have not been deposited on account of any dispute, are as follows:

<table>
<tr><th>S.No.</th><th>Name of the Statue</th><th>Nature of Dues</th><th>Amount involved (Rs. In lacs)</th><th>Amount paid under protest (Rs. In lacs)</th><th>Period to which the amount relates</th><th>Forum where dispute is pending</th></tr>
<tr><td>1</td><td>Income tax Act 1961</td><td>Income tax</td><td>560.70</td><td>38.11</td><td>AY 2013-14 to 2015-16, AY 2017-18 to 2018-19 and AY 2020-21 to 2021-22</td><td>Commissioner of Income Tax (Appeals)</td></tr>
<tr><td>2</td><td>Income tax Act 1961</td><td>Income tax</td><td>670.85</td><td>Nil</td><td>AY 2023-2024</td><td>Commissioner of Income Tax (Appeals)</td></tr>
<tr><td>3</td><td>Income tax Act 1961</td><td>Income tax</td><td>1,952.87</td><td>Nil</td><td>AY 2024-2025</td><td>Commissioner of Income Tax (Appeals)</td></tr>
<tr><td>4</td><td>Local Sales Tax Act (Maharashtra)</td><td>Sales Tax</td><td>22.33</td><td>10.79</td><td>AY 2014-15</td><td>Appellate Tribunal</td></tr>
</table>
There are no dues of goods and services tax, value added tax, provident fund, employees' state insurance, service tax, duty of custom, duty of excise, cess, and other statutory dues which have not been deposited on account of any dispute.

Also, in Note 34 (a) (Contingent Liabilities) to the financial statements for the year ended March 31, 2025, it has been explained as follows:</td></tr>
</table>



34 Contingent liabilities and commitments

	March 31, 2025	March 31, 2024
(a) Contingent liabilities:		
In respect of assessment year 2013-14 to 2015-16, 2017-18, 2018-19, 2020-21 and 2021-22, the Company has received assessment order under Section 143(3) of the Income tax Act, 1961 (the "Act"), demanding a total adjustment of Rs. 1,360.54 Lakhs (March 31, 2024: Rs. 1,360.54 Lakhs) of which tax impact is Rs. 360.70 Lakhs (March 31, 2024: Rs. 360.70 Lakhs) on account of transfer pricing and other disallowance matters under the Act. The Company has filed appeal with the respective appellate authority.#	360.70	360.70
In respect of assessment year 2023-24, the Company has received assessment order under Section 143(3) of the Income tax Act, 1961 (the "Act"), demanding a total adjustment of Rs. 2,665.50 Lakhs (March 31, 2024: Nil) of which tax impact is Rs. 670.85 Lakhs (March 31, 2024: Nil) on account of disallowance of depreciation on intangible assets under the Act after adjusting prior period losses. The Company has filed appeal with the respective appellate authority.#	670.85	-
In respect of assessment year 2024-25, the Company has received intimation under Section 143(1) of the Income tax Act, 1961 (the "Act"), demanding a total tax (including interest) of Rs. 1,952.88 Lakhs (March 31, 2024: Nil) on account of credit not given by the department for advance tax and Tax deducted at source. The Company has filed appeal with the respective appellate authority.	1,952.88	-
In respect of financial year 2013-14, the Company has received assessment order under Section 34(1) of the MVAT Act, 2002 (the "Act"), demanding additional tax of Rs.22.33 Lakhs (March 31, 2024: Rs. 22.33 Lakhs) on account of incorrect consideration of TDS amount. The Company has filed appeal with the respective appellate authority.	22.33	22.33

Based on legal experts, management is of view that the Company has good case on merits and there is no amount which is expected to paid against the above demands and hence considered as contingencies.

The status of the aforementioned matters is as follows:

1. Relief allowed by ITAT/CIT (A) for an amount of Rs. 3.46 Cr for the A/Y 2013-14, 2017-18, 2018-19, 2020-21 and 2021-22. For A/Y 2014-15 and 2015-16, Appeal is yet to be decided by CIT (A) pertaining to the Tax demand of Rs. 2.01 Cr and for A/Y 2017-18, AY 2018-19 and 2020-21, the Company has accepted the liability for an amount of Rs. 13.68 lakhs.
2. For AY 2023-24, the Appellate Authority [CIT-(A)] has asked for the requisite documents and the same were submitted. The matter is still pending for adjudication.
3. For AY 2024-25, The Dy. Commissioner of Income Tax, vide its order dated 24.09.2025, decided the appeal and allowed the credit and accordingly the demand has been made zero.
4. The Maharashtra Sales Tax Tribunal, Pune Bench, vide its order dated 01.07.2025, decided and allowed the appeal by setting aside the impugned order of the First Appellate Authority. The matter was remanded back to the First Appellate Authority for reworking of tax liability and interest, if any, as the Appellant is entitled to such credit of the TDS during the year 2013-14.

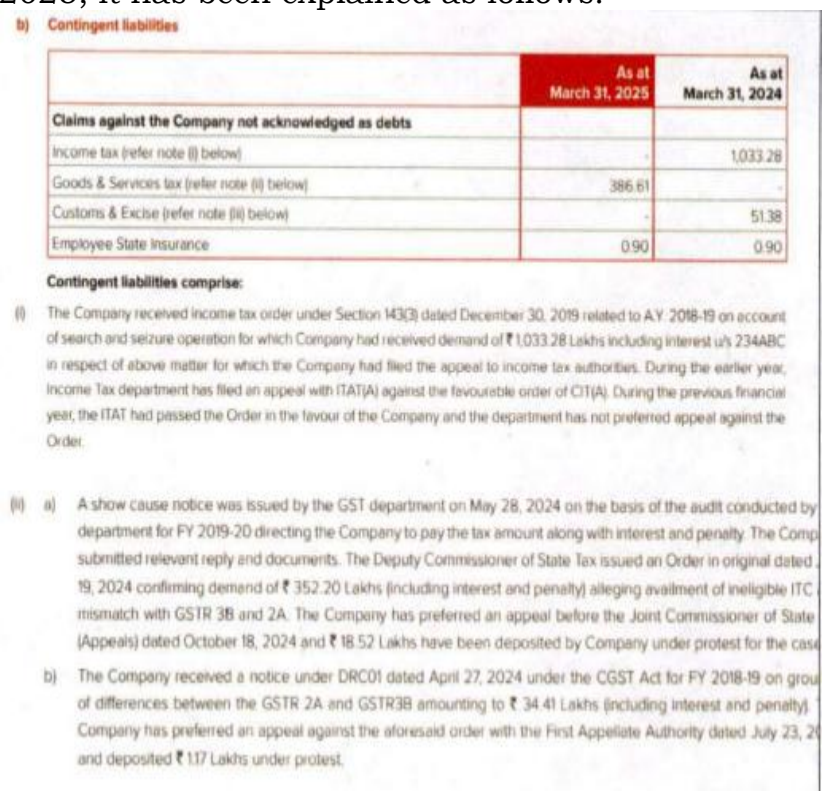
Further reference may be made to the provisions of the following Clauses of the Scheme of Amalgamation:

As mentioned in Part-C of the Scheme, **Clause 8 "TRANSFER OF TRANSFERRED UNDERTAKING"**

	Subject to the provisions of this Scheme as specified herein and with effect from the Appointed Date, upon the Scheme becoming effective, the entire Transferred Undertaking of the Transferor Company shall be transferred to and vested in or be deemed to be transferred to and vested in the Transferee Company, as a going concern without any further act, instrument, deed, matter or thing so as to become, as and from the Appointed Date, the undertaking of the Transferee Company by virtue of and in the following manner: *8.1 The Transferred Undertaking of the Transferor Company comprising its business, all assets and liabilities of whatsoever nature and where-so-ever situated, shall, under the provisions of Section 230-232 and all other applicable provisions, if any, of the Act, without any further act or deed to be transferred to and vested in and/or be deemed to be transferred to and vested in Transferee Company as a going concern so as to become, as from the Appointed Date for amalgamation, the undertaking of the Transferee Company and to vest in the Transferee Company all the rights, title, interest or obligations of the Transferor Company therein.* **.....** As mentioned in the Part-C of the Scheme, **Clause 12 "LEGAL PROCEEDINGS"** *12.1 If any legal proceedings including but not limited to suits, summary suits, indigent petitions, appeal, taxation proceedings, (including before any statutory or quasi-judicial authority or tribunal) or other proceedings of whatever nature (hereinafter called "the proceedings") by or against the Transferor Company are pending as on the Effective Date, the same shall not abate or be discontinued or be in any way prejudicially affected by reason of the transfer of the entire business and Transferred Undertaking of the Transferor Company or of anything contained in the Scheme, but the proceedings shall be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as they would or might have been continued,*

	prosecuted or enforced by or against the Transferor Company if the Scheme had not been made. On and from the Effective Date, the Transferee Company may initiate any legal proceeding for and on behalf of the Transferee Company. *12.2 In case of any litigation, suits, recovery proceedings which are to be initiated or may be initiated against the Transferor Company, Transferee Company shall be made party thereto and any payment and expenses made thereto shall be the liability of Transferee Company.* Therefore, with effect from the Appointed Date, upon the Scheme becoming effective, the entire Transferred Undertaking of the Transferor Company comprising business, all assets and liabilities of whatsoever nature and where-so-ever situated, shall be transferred to and vested in and/or be deemed to be transferred to and vested in the Transferee Company as a going concern and with effect from the Effective Date, all the pending litigations, if any, pertaining to the Transferor Company shall stand transferred to and vest in the Transferee Company and the Transferee Company shall, thereafter, prosecute, defend or otherwise deal with such litigations in accordance with the applicable law.
2. As per Auditors Report for F.Y. 2024-25, the Transferee Company has dues from different departments that have not deposited on account of any dispute. Company may clarify the same.	As per point vii (b) of the Annexure-B to the Independent Auditors Report of the Transferee Company for FY 2024-25, (b) There are no statutory dues of income taxes, duty of customs, provident fund which have not been deposited on account of any dispute. The particulars of statutory dues referred to in sub-clause (a) as at March 31, 2025 which have not been deposited on account of a dispute, are as follows. **Name of the statute** | **Nature of dues** | **Amount (Rs.)** | **Period to which the amount relates** | **Forum where the dispute is pending** Maharashtra Goods and Services Tax Act, 2017 | GST | 352.20 | 2019-2020 | Joint Commissioner of State Tax (Appeals) Central Goods and Services Tax Act, 2017 | GST | 34.41 | 2018-2019 | Deputy Commissioner (Appeals) Employee State Insurance Act, 1948 | ESI contribution | 0.90 | 2016-2017 | Gurugram District Court

Also, in Note 37 (b) (Contingent liabilities) to the financial statements for the year ended March 31, 2025, it has been explained as follows:



b) Contingent liabilities

	As at March 31, 2025	As at March 31, 2024
Claims against the Company not acknowledged as debts		
Income tax (refer note (i) below)	-	1,033.28
Goods & Services tax (refer note (ii) below)	386.61	-
Customs & Excise (refer note (iii) below)	-	51.38
Employee State Insurance	0.90	0.90

Contingent liabilities comprise:

(i) The Company received income tax order under Section 143(3) dated December 30, 2019 related to A.Y. 2018-19 on account of search and seizure operation for which Company had received demand of ₹ 1,033.28 Lakhs including interest u/s 234ABC in respect of above matter for which the Company had filed the appeal to income tax authorities. During the earlier year, Income Tax department has filed an appeal with ITAT(A) against the favourable order of CIT(A). During the previous financial year, the ITAT had passed the Order in the favour of the Company and the department has not preferred appeal against the Order.

(ii) a) A show cause notice was issued by the GST department on May 28, 2024 on the basis of the audit conducted by department for FY 2019-20 directing the Company to pay the tax amount along with interest and penalty. The Comp submitted relevant reply and documents. The Deputy Commissioner of State Tax issued an Order in original dated 19, 2024 confirming demand of ₹ 352.20 Lakhs (including interest and penalty) alleging availment of ineligible ITC mismatch with GSTR 3B and 2A. The Company has preferred an appeal before the Joint Commissioner of State (Appeals) dated October 18, 2024 and ₹ 18.52 Lakhs have been deposited by Company under protest for the cas

b) The Company received a notice under DRC01 dated April 27, 2024 under the CGST Act for FY 2018-19 on grou of differences between the GSTR 2A and GSTR3B amounting to ₹ 34.41 Lakhs (including interest and penalty) Company has preferred an appeal against the aforesaid order with the First Appellate Authority dated July 23, 2 and deposited ₹ 1.17 Lakhs under protest.

The status of the aforementioned matters is as follows:

1. **Maharashtra GST matter of Rs. 352.20 Lakhs**

A show cause notice was issued by the GST department on May 28, 2024 on the basis of the audit conducted by the department for FY 2019-20 directing the Company to pay the tax amount along with interest and penalty. The Company submitted relevant reply and documents. The Deputy Commissioner of Sales Tax issued an Order in original dated July 19, 2024 confirming demand of Rs. 352.20 Lakhs (including interest and penalty) alleging availment of ineligible ITC and mismatch with GSTR 3B and 2A. The Company has preferred an appeal before the Joint Commissioner of Sales Tax (Appeals) dated October 18, 2024 and Rs. 18.52 Lakhs have been deposited by the Company under protest for the case.

	The Company has received an Order-in-Appeal dated February 18, 2026 with respect to the first appeal before the Joint Commissioner of State Tax, Appeals, Pune Division-2, Maharashtra. The first appeal filed by the Company has been partly allowed and the demand has been reduced from Rs. 3,52,19.923/- (including Interest and penalty) to Rs. 1,03,78,580/- (including Interest and penalty). Based on the advice of the tax advisors, the Company will file an appeal against the Order-in-Appeal before the Hon'ble Tribunal within the prescribed timelines. **2. CGST of Rs. 34.41 Lakhs** The Company received a notice under DRC01 dated April 27, 2024 under the CGST Act for FY 2018-19 on grounds of differences between the GSTR 2A and GSTR3B amounting to Rs. 34.41 Lakhs (including interest and penalty). The Company has preferred an appeal against the aforesaid order with the First Appellate Authority dated July 23, 2024 and deposited Rs. 1.17 Lakhs under protest. The hearing date is yet to be listed. **3. ESI matter of Rs. 0.90 Lakhs** The order was passed by the Regional Director, ESI Corporation, Faridabad claiming that there were omitted wages to the tune of Rs. 0.90 Lakhs in respect of the employees of the contractors. The said contractors were never called off or summoned for the purpose of verification of the compliance on their part and the order was passed by the Regional Director against the Company for the payment of ESI dues in respect of the employees employed by the said contractors who had effected the compliances at their own code numbers. The Company filed an appeal, the Court of Shri. Jasbir Singh, Judge, Employees State Insurance Court, Gurgaon, and **the appeal was allowed in favour of the Company and was disposed of** vide Order dated 20.09.2012 (Original Order). However, there were certain clerical mistakes in the order for which the rectification was sought and the Order rectifying the mistakes was pronounced on 01.10.2024 and accordingly the rectifications were

	made in the Original Order and the certified copy of the said order was signed on 29.01.2025.
3. The Transferee Company may kindly be directed to comply with the provisions of Section 232(3)(i) of the Companies Act, 2013 in regard to fee payable on its revised authorized share capital.	The Petitioner Companies respectfully submits that they shall comply with the provisions of Section 232(3)(i) of the Companies Act, 2013 in respect of fees and duties on increase in authorize share capital post-merger and this can also be verified from Clause 18.1 read with Clause 18.4 of Part D of the Scheme wherein it has been clarified that in case of any increase in authorized share capital of the transferee company pursuant to the combination of the share capital of the Transferor Company, the Registrar of Companies (**"RoC"**) fee and stamp duty paid on the authorize share capital of the Transferor Company shall be set-off against the increased authorize share capital of the Transferee Company and the differential RoC fee and stamp duty, shall be discharged by the Transferee Company on filing of NCLT order with the RoC.

11. Though initially, the Regional Director (RD) in its Report dated 01.04.2026 had made certain observations with regard to the proposed Scheme of Arrangement among the Petitioner Companies, after perusal of the response of the Petitioner dated 02.04.2026, the Regional Director (RD) clarified that there are no further Observation/ Objection to be made in regard to the Scheme. The same is recorded in our order dated 08.04.2026.
12. The Official Liquidator has filed its report dated 25.03.2026, wherein it is stated that, "affairs of the aforesaid Transferor Company does not appear to have been conducted in a manner prejudicial to the interest of its members or to public interest in terms of the provisions of the Companies Act, 2013". It has also been recorded in our Order dated 15.04.2026 that the Official Liquidator do not have any specific objection to the scheme, if approved.
13. The Income Tax Department, in terms of order dated 25.02.2026 has filed its report dated 25.03.2026 for both the Transferor and Transferee Company, stating that they have no objection in matter of scheme of amalgamation of IAC International Automotive India Private Limited with Lumax Auto Technologies Limited.

14. Though initially, the Securities and Exchange Board of India in its Report dated 07.04.2026 had made certain observations with regard to the proposed Scheme of Arrangement among the Petitioner Companies, after perusal of the response of the Transferee Company dated 09.04.2026, the Securities and Exchange Board of India clarified that there are no further Observation/ Objection to be made in regard to the Scheme. The same is recorded in our order dated 15.04.2026.

15. The Petitioner companies have also affirmed that no investigation or proceedings are pending under the provisions of the Companies Act, 2013 or under the provisions of the Companies Act, 1956, against the Petitioner Companies.

16. Certificates of Statutory Auditor of the Petitioner companies, has been placed on record to the effect that Accounting Treatment proposed in the Scheme of Arrangement is in conformity with the Accounting Standard notified by the Central Government as specified under the provisions of Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies Accounts Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016, and other generally accepted accounting principles in accordance with the Companies Act, 2013.

17. Supreme Court in ***Miheer H. Mafatial vs Mafatial Industries Ltd JT 1996 (8) 205*** while considering the scope of the jurisdiction of the Company Court in respect of matters of Sanction of the Scheme of Amalgamation as per the provisions of Section 91 read with Section 393 of the Companies Act, 1956, observed as under:

> *"It is the commercial wisdom of the parties to the scheme who have taken an informed decision about the usefulness and propriety of the scheme by supporting it by the requisite majority vote that has to be kept in view by the Court. The Court certainly would not act as a court of appeal and sit in judgment over the informed view of the concerned parties to the compromise as the same would be in the realm of corporate and commercial wisdom of the concerned parties. The Court has neither the expertise nor the jurisdiction to delve deep into the commercial wisdom*

exercised by the creditors and members of the company who have ratified the Scheme by the requisite majority. Consequently the Company Court's jurisdiction to that extent is peripheral and supervisor and not appellate."

18. In view of the law laid down by the Supreme Court, this Tribunal is not supposed to examine the merits/benefits of the commercial wisdom of the decision of the shareholders etc.

19. It has also been affirmed in the petition that the Scheme is in the interest of all the Petitioner Companies including their shareholders, creditors, employees and all concerned. In view of the foregoing, upon considering the approval accorded by the members and creditors of the Petitioner companies to the proposed Scheme, there appears to be no impediment in sanctioning the present Scheme.

20. Accordingly, the scheme is confirmed subject to the condition that all liabilities accruing in the Transferor Company shall be transferred to the Transferee Company without prejudice to provisions of Section 240 of the Companies Act, 2013, and any part of the Scheme in contravention of this Companies Act, 2013 shall be null & void in terms of Section 6 of the Act and further condition that the other authorities retain their recourse to recovery in respect of any existing or future tax liabilities/claims of the Transferor Company from the Transferee Company with further condition that the Transferee Company should comply with the provisions of Section 3(1) of the Companies Act, 2013.

21. Consequently, sanction is hereby granted to the Scheme under Section 230 to 232 of the Companies Act, 2013 with the following directions: -

(i) The Petitioners shall, however remain bound to comply with the statutory requirements in accordance with the law.

(ii) Notwithstanding the above, if there is any deficiency found or, violation committed, qua any enactment, statutory rule or regulation, the sanction granted by this court to the scheme will not come in the way of action being taken in accordance with the law, against the concerned persons, directors and officials of the petitioners.

(iii) While approving the Scheme as above, we further clarify that this order should not be construed as an order in any way granting exemption

from payment of stamp duty, taxes or any other charges if any, and payment in accordance with law or in respect to any permission/compliance with any other requirement which may be specifically required under any law.

22. This Tribunal further directs with respect to all the Transferor companies and the Transferee company, that:

(i) The proposed Scheme has 01.10.2025 as the appointed date. We approve the Appointed date as proposed by the Petitioner Companies, i.e. 01.10.2025.

(ii) Upon the sanction becoming effective from the appointed date, i.e. 01.10.2025 as prescribed by the Tribunal, the Transferor Company shall stand dissolved without undergoing the process of winding up.

(iii) All contracts of the Transferor Company, which are subsisting or having effect immediately before the Effective Date, shall stand transferred to and vested in the Transferee Company and be in full force and effect in favour of the Transferee Company and may be enforced by or against it as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obliged thereto;

(iv) All the employees of the Transferor Company shall be deemed to have become the employees and the staff of the Transferee Company with effect from the Appointed Date, and shall stand transferred to the Transferee Company without any interruption of service and on the terms and conditions no less favourable than those on which they are engaged by the Transferor Company, as on the Effective Date, including in relation to the level of remuneration and contractual and statutory benefits, incentive plans, terminal benefits, gratuity plans, provident plans and any other retirement benefits;

(v) All liabilities of the Transferor Company, shall, pursuant to the provisions of section 232(4) and other applicable provisions of the Companies Act, 2013, to the extent they are outstanding as on the

Effective Date, without any further act, instrument or deed stand transferred to and be deemed to be the debts, liabilities, contingent liabilities, duties and obligations etc. as the case may be, of the Transferee Company and shall be exercised by or against the Transferee Company, as if it had incurred such liabilities.

(vi) All proceedings now pending by or against the Transferor Company be continued by or against the Transferee Company.

(vii) Any person interested or effected shall be at liberty to apply to this Tribunal in the above matter for any directions that may be necessary.

23. Further, the Petitioner Companies shall within thirty days of the date of the receipt of this order, cause a certified copy of this order to be delivered to the Registrar of Companies for registration and on such certified copy being so delivered, the Transferor Company shall be dissolved and the Registrar of Companies shall place all documents relating to the Transferor Company on the file kept by him in relation to the Transferee Company and the files relating to all the Petitioner Companies shall be consolidated accordingly.

24. In compliance with the requirement of Section 232 (7) of the Act, the transferee company shall until the full implementation of the Scheme of Arrangement file a statement every year in the Form CAA 8 along with the required fees with the Registrar of Companies as prescribed in the Companies (Registration offices and fees) Rules 2014 within 210 days from the end of each financial year.

25. The petition stands disposed of in the above terms.

Let copy of the order be served to the parties.

SD/-
MS ANU JAGMOHAN SINGH
(MEMBER TECHNICAL)

SD/-
SHRI MAHENDRA KHANDELWAL
(MEMBER JUDICIAL)